



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18-36]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: DSCA at dsca.ncr.lmo.mbx.info@mail.mil or (703) 697-9709.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 18-36 with attached Policy Justification and Sensitivity of Technology.

Dated: November 2, 2018.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

SEP 19 2018

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 18-36, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of the United Kingdom for defense articles and services estimated to cost \$90 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "C. W. Hooper", is written over a horizontal line.

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 18-36

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: The Government of the United Kingdom

(ii) Total Estimated Value:

Major Defense Equipment*	\$80 million
Other	<u>\$10 million</u>
TOTAL	\$90 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Three (3) SEAL Delivery Vehicles (SDV) MK 11 Shallow Water Combat Submersibles (SWCS)

Non-MDE:

Also included are spares; handling equipment; test equipment; operator manuals and technical documentation; U.S. Government and contractor engineering, training, technical, and logistical support services; and other related elements of logistics and program support.

(iv) Military Department: Navy (UK-P-SAO)

(v) Prior Related Cases, if any: (Predecessor SDV MK 8 Mod 1) UK-P-MVJ, UK-P-BQO, UK-P-BSM, UK-P-BSP, UK-P-LIP, UK-P-GXV, UK-P-MVY, UK-P-GYY, UK-P-BTN, UK-P-BTM, UK-P-TGJ, and UK-P-FBL

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **September 19, 2018**

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

United Kingdom – SEAL Delivery Vehicle (SDV) MK 11 Shallow Water Combat Submersibles (SWCS)

The Government of the United Kingdom (UK) has requested to buy three (3) SEAL Delivery Vehicles (SDV) MK 11 Shallow Water Combat Submersibles (SWCS). Also included are spares; handling equipment; test equipment; operator manuals and technical documentation; U.S. Government and contractor engineering, training, technical, and logistical support services; and other related elements of logistics and program support. The total estimated program cost is \$90 million.

This proposed sale will support U.S. foreign policy and national security objectives of the United States by improving the security of a NATO ally which has been, and continues to be, an important partner on critical foreign policy and defense issues.

The proposed sale of the SDV MK 11 SWCS will continue UK's maritime partnership, interoperability, and regional security capability. The UK has a proven track record of successfully deploying predecessor system. The UK will have no difficulty absorbing this system into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be Teledyne Brown Engineering, Inc. (TBE), Huntsville, Alabama. There are no known offset agreements expected to be proposed in connection with this potential sale.

Implementation of this proposed sale will require multiple trips by USG and contractor representatives to participate in program and technical reviews, plus training and maintenance support in country as required.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 18-36

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The SEAL Delivery Vehicle (SDV) MK 11 Shallow Water Combat Submersibles (SWCS) is a free-flooding combat submersible mobility platform suitable for transporting and deploying forces and their payload for a variety of missions. The SDV MK 11 SWCS will provide increased volume, allowing for increased payload and personnel-carrying capacity. Additionally, performance in range, speed, maneuverability, and organic sensor capabilities will be enhanced over the existing SDV MK 8 Mod 1. The highest classification of the hardware in the proposed sale is SECRET. The highest classification of the technical documentation in the proposed sale is SECRET. The highest classification of the software to be exported is SECRET.

2. If a technologically advanced adversary obtains knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that the Government of the United Kingdom can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This proposed sale is necessary to the furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal are authorized for release and export to the Government of the United Kingdom.

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